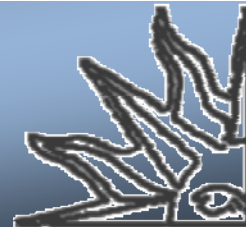


# Uruguay *in focus*



A quarterly bulletin issued by the Debt Management Unit

January 2013

## DEBT MANAGEMENT STRATEGY

**Uruguay awarded Best Sovereign Liability Management by LatinFinance magazine in 2012**

On January 17<sup>th</sup>, the financial magazine LatinFinance awarded the Republic of Uruguay Best Sovereign Liability Management, which consisted in launching a new benchmark UI Global Bond due 2028 for an equivalent of USD 2billion, a fixed price cash tender offer for various USD and Euro Bonds and an exchange of UI Global Bonds due 2018 into a reopening of the new UI Global 2028. "The award, selected by the editors of LatinFinance, is based on a variety of factors including the transaction's significance, strategic importance, innovation, groundbreaking qualities, market success as well its reception by peers and investors," said the magazine.

Once per year LatinFinance recognizes the achievement of the region's leading companies and sovereigns in bringing to market exceptional transactions as well as the outstanding work of the banks and law firms that operate across the Latin-American capital markets. "The operation allowed Uruguay to extend duration, de-dollarize its curve, reduce foreign currency and refinancing risk and provide liquidity to existing bonds. It also sets a template for other sovereigns to follow," added the magazine.

"We were able to increase the percentage of local currency, execute at a time of volatility in a scenario that was complicated for local currency issuance, and we stuck with our objectives," said Azucena Arbeleche, Director of Debt Management Unit at Uruguay's Finance Ministry to LatinFinance.



Mr. Christopher Gilfond from Citigroup; Mr. Taimur Ahmad from LatinFinance; Ms. Azucena Arbeleche Director of the Debt Management Unit of the Ministry of Finance in Uruguay; Mr. Matt Rietz and Mr. Juan Pablo Gallipoli from HSBC celebrate the award in January 17th, New York.

In December 2011, Uruguay launched a liability management transaction designed to deepen the de-dollarization path of the Central Government debt, to create a new UI benchmark bond and to continue reducing the rollover risk of the debt through a smoother profile of amortizations over time. The transaction was designed in three components. The first one was the issuance of USD1.3 billion equivalent through a new UI Global Benchmark Bond due 2028 with a coupon of 4.375%.

Next, Uruguay carried out a fixed price cash tender offer for various USD and Euro denominated bonds to purchase approximately USD1billion in market value bonds with final maturity between 2012 and 2036.

Finally, the Republic offered to exchange the outstanding 5% UI Global Bonds with maturity in 2018 into a reopening of the new Global UI due 2028 to improve the liquidity of the new bond and to diminish the amortizations in the year 2018. Citigroup and HSBC acted as Dealer Managers in this transaction.

## ECONOMIC PERSPECTIVES

**Encouraging picture for investment will bring more sustained growth**

In early December, the economic authorities summarized the deep changes that the Uruguayan economy has been registering in recent years: higher levels of productive investment, which have generated productivity gains in several key areas. Based on these arguments the ministry of Finance, Mr. Fernando Lorenzo, concluded that Uruguay is on a path of structural change that brings more sustained growth and better quality jobs. Lorenzo pointed out that total investment will surpass 21% of GDP in 2012 and achieve almost 25% over GDP in 2015 (including 4pp of GDP in mining and oil projects). In the period 2005 – 2011, total investment averaged 18.7% of GDP and the economy grew at a 5.8% annual rate of which 2.8% was explained by an increase in the total factor productivity.

## REAL SECTOR

**Economy grew 3% in 2012Q3; official target of 4% for year 2012 continues being on track**

The Uruguayan economy accelerated the path of growth in 2012Q3 achieving an increase of 3% from a year earlier and 1.2% from the previous quarter. This performance was better than the market expectation and sets a "floor" of real growth of 4% for 2012, in line with official estimations (annual data of year 2012 will be published in next March).

In 2012Q3 domestic demand continued underpinning real growth with an increase of 5.8% in general consumption and 12.5% in fixed investment. As real imports of goods

and services registered a high real growth compared with exports, 17.8% and 5.7% respectively, there was a negative effect of external net sales over GDP growth.

Measured by sector, in turn, Transport, Storage and Communications sectors continued showing a promising performance in the third quarter of last year with an expansion of 1.8% (sar) and 7.1% on an interannual basis due to the growth in data services and mobile telephony services. On the other hand, transport and storage services remained stable.

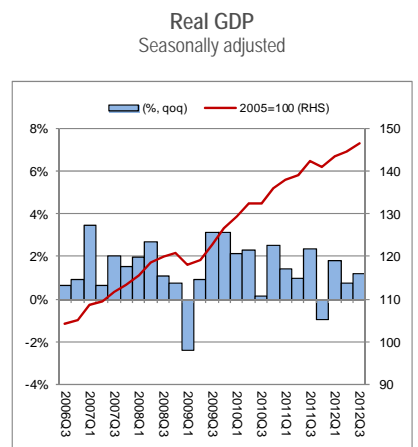
Also, Manufacturing Industry posted an increase of 0.5% compared with the previous quarter and of 2.6% with the same period of 2011, as well. The secondary sector, which will grow 3% in real terms in 2012 according to the official estimation, foresees a significant increase in investment during the current year. Along this line, and according to a recent survey published by the Industry Association, industrial companies planned to increase by 10% the investment level in 2013 –measured in USD current terms–compared with the previous year. Investment in machinery and equipment will increase by 28% while investment in building will contract 17%.

The Other Activities sector increased 2.2% (sar) and 3.8% in 2012Q3 underpinned by the expansion in health services and general services for companies.

Despite the Construction sector's decreasing 1.6% on a seasonally adjusted basis, the sector expanded 12.0% in 2012Q3 compared with same period of 2011 due to the dynamism in both private and public sector. In the public sector this expansion was driven by the construction of a second pulp mill –Montes del Plata– and the increase in public infrastructure in ports and in some state owned utilities companies.

Commerce, Restaurants and Hotels decreased slightly 0.1% in seasonally terms but registered a real expansion of

2.4% in 2012Q3 compared with one year before. This highlights the increase in commerce activities, which was partially offset by a decrease in restaurants and hotel services.



Source: Central Bank of Uruguay

In contrast, Primary Activities contracted both in seasonal and in interannual terms with a decrease of 0.3% and 1.9%, respectively. Within this sector, results were mixed. Agricultural production registered an important contraction due to the fall in wheat production while livestock production increased significantly. The Uruguayan Government expects this sector to grow slightly 0.2% in 2012 and a recovery of 3.9% in the current year.

The Electricity, Gas and Water sector reflected the severe drought the Uruguayan economy experienced in the first quarter of last year and the normalization of rainfall since 2012Q3. Consequently, while this sector expanded 73% (sar), it decreased 37% compared with the same quarter of 2011.

On the expenditure side, internal demand grew 9.2%, in line with overall income growth. However, exports and capital formation grew once again above this figure. Exports of goods and services increased 17.5% in real terms, while gross fixed capital formation grew 25.6%. Government expenditures only expanded 1.0%, in line with the conservative profile of the fiscal stance.

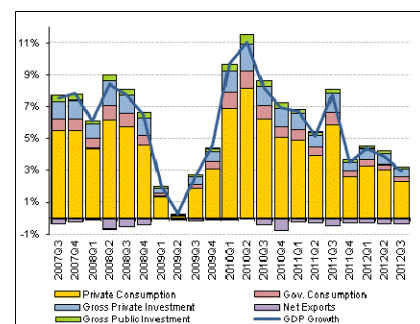
Increase in final consumption expenditure (5.8% yoy) was due primarily to the increase in Private

Consumption (5.7%). Even though Public Consumption increased at a higher rate, 6.2%, its weight on GDP is significantly lower than private consumption.

Total investment grew 12.5% in real terms in 2012Q3. The main drivers were the construction sector and imports of machinery and equipment.

After remaining unchanged in 2012Q2, exports of goods and services increased 5.7% in real terms in the next quarter driven by goods exports. In effect, while the former expanded 9.7% –explained by an increase in soybean and beef external sales–, service exports decreased 10.3% explained by the contraction of transport and tourists services.

Contribution to GDP Growth by Expenditure On a Quarterly Basis



Source: Central Bank of Uruguay

Upon learning the official growth numbers for the third quarter, private analysts revised their growth forecasts for 2012 upward to 3.7% and downward to 3.9% for 2013. The IMF maintained its forecast in 3.5% of GDP growth for 2012 and 4.0% for the current year.

Some leading indicators foresee an expansion during the last quarter of 2012. According to the Leading Activity Index (ILC) elaborated by the private think tank Ceres, there was an increase of 0.5% in October. The expansion of this index was fairly generalized, as 63% of the variables that compose the ILC posted positive readings.

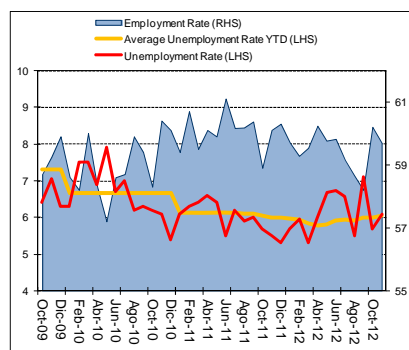
Another indicator that anticipates a good performance in 2012Q3 is tax collection, with an increase of 7.8% in real terms in

October 2012 over the same month of last year. Excluding public enterprises, the collection showed a significantly higher performance, with an increase of 9.8% in the tenth month of last year.

Industrial Production, in turn, increased 1.0% and 2.0% in October and November respectively, compared with the same months of last year.

The average unemployment rate remained at the historically low levels of 6.1% in the period January - November of 2012 compared with the similar period of the previous year.

#### Unemployment and Employment Rate % of Economically Active Population



Source: National Institute of Statistics.

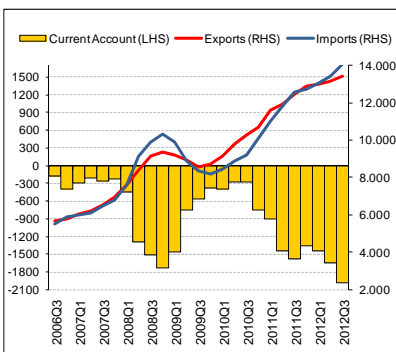
#### EXTERNAL SECTOR

**FDI inflows continues comfortably financing a higher current account deficit**

The merchandise balance, measured as the difference between exports and imports goods on a FOB basis, closed the third quarter of the last year in USD 1.9billion (4% of GDP). However, the significant growth in service exports, especially those related with tourist services, permitted the reduction of the overall trade balance deficit to USD 659million or 1.4% of GDP.

In turn, the increase in dividend transfers made by local companies to abroad, led to a widening in the CA deficit to 4.1% of GDP in the third quarter of 2012 from 3.3% of GDP of the previous quarter.

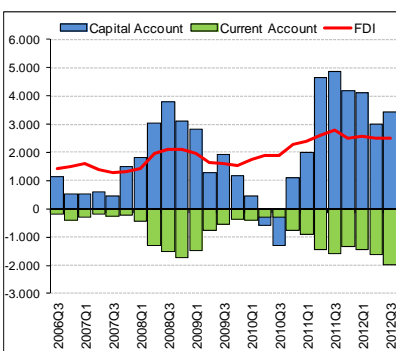
#### Current Account, Exports and Imports Million of USD



Source: Central Bank of Uruguay

Nevertheless, the strong Foreign Direct Investment (FDI) inflows the Uruguayan economy continues receiving, not only has been comfortably financing the CA deficit but has also allowed significant accumulation of international reserves of the Central Bank. In this line, FDI stood at USD 2.5billion in the year ended in 2012Q3, representing 5.2% of GDP. In the last 10 years the FDI averaged 5.1% of GDP annually –one of the highest figure in LATAM– while the CA registered a deficit of 1.9% of GDP.

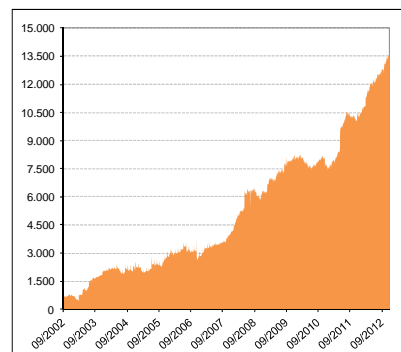
#### Capital, Current Account and FDI Million of USD



Source: Central Bank of Uruguay

On the other hand, the international reserves of the CB continued rising in 2012, reaching a new record of USD13.6 billion. The reserves increased by USD3.3 billion in the last year.

#### External Reserve Assets Million of USD



Source: Central Bank of Uruguay

#### PUBLIC SECTOR

**Fiscal deficit rose at 2.8% of GDP as of the year ended in November**

The overall deficit of the consolidated public sector for the year ended in November 2012 stood at 2.8% of GDP.

Last year the Uruguayan Government faced some unexpected transitory expenditures, which lifted the fiscal deficit. The most important factor that affected the public accounts was a severe drought registered in the first half of last year, which caused deterioration in the fiscal result of around 1.2% of GDP.

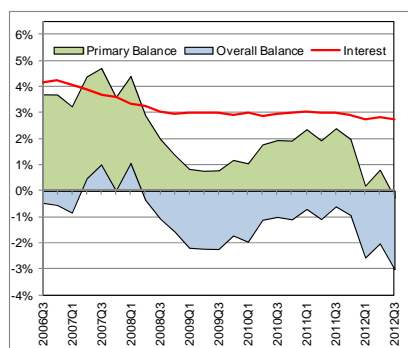
In second term, the Uruguayan Government agreed to end a legal dispute with the former international shareholders of the Banco Comercial - Chemical Overseas Holdings, Credit Suisse y Dresdner Lateinamerika- by paying USD 120million in connection with the liquidation that took place as a result of the financial crisis of 2002.

In third place, other unexpected expenditures such as settlement payments from the liquidation of PLUNA airline (of which 25% equity belonged to the government) impacted in the fiscal balance.

Finally, a minor part of the increase in the fiscal deficit is explained by larger investment execution, in particularly, at the Central Administration level.

The revenues of the Non-Financial Public Sector represented 28.8% of GDP in the rolling year ending in November 2012, which implied an increase of 0.1% compared with the previous month. While revenues from the CG and the social security institute (BPS) remained almost unchanged, the current primary result of public enterprises posted an increase of 0.1% of GDP due to better than expected performance of the state-owned oil and electricity companies, ANCAP and UTE, respectively.

**Public Sector Balance and Interest**  
% of GDP



Source: Ministry of Economy and Finance

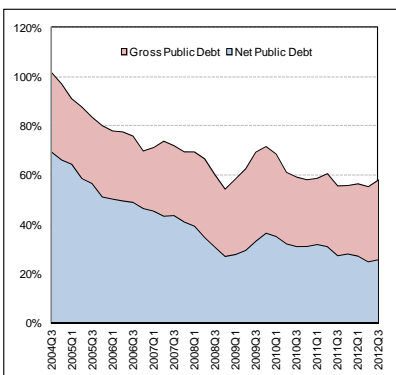
The interest bill on public debt, in turn, achieved 2.6% of GDP, falling 0.4pps of GDP from the previous year.

## PUBLIC DEBT

### Gross debt at 58% of GDP in 2012Q3

Total consolidated public debt amounted to the equivalent of USD27.8 billion at 2012Q3, representing 58.1% of GDP. The consolidated net public debt totaled USD12.4 billion, equivalent to 25.8% of GDP. Measured in terms of GDP, the total net debt increased 0.8% compared with the previous quarter while decreased 1.8% respect to 2011Q3.

**Public Sector Gross Debt**  
% of GDP and Million USD



Source: Central Bank of Uruguay

## INFLATION & MONETARY INDICATORS

### Central Bank increased its target rate 25bps to 9.25% in December; annual inflation closed at 7.48% in last year

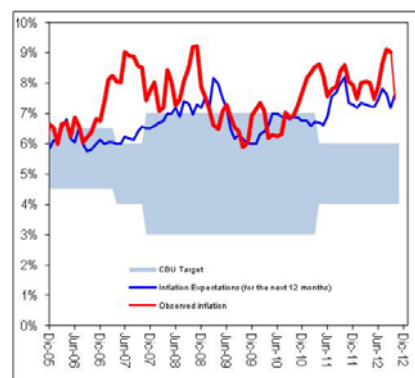
On 28<sup>th</sup> December the Monetary Policy Committee (MPC) of the Central Bank raised its benchmark rate 25 basis points (bps) to 9.25%. "Inflation continues to be the key risk to the Uruguayan economy," the MPC said in a statement. "If the inflationary threat isn't decidedly dealt with, we risk interrupting or partially reversing the gains made in terms of growth, competitiveness, poverty reduction and distribution of wealth," continued the release.

This increase was the second time in last year and reaffirms the strong commitment of the CB to bring down inflation into the official target.

After this interest hike, the National Bureau of Statistics informed that a consumer price decreased by 0.73% in December while in year 2012 inflation closed at 7.48%. The deflation of last month was mainly driven by the "housing and electricity sector," posting a decrease of 6% and having an incidence of -0.86% in the consumer price index, followed by "transport sector" with a deflation of 0.4% (with an impact of 0.04% in CPI).

Private analysts surveyed by the CB forecasted an inflation of 7.6% for this year, according to December bulletin.

**Inflation, CPI**  
Last 12 months



Source: Central Bank and National Institute of Statistics

Due to the acceleration of inflation since the second half of 2012 the MPC had lifted its benchmark rate in another 25bps to 9.0% in the ordinary meeting of September. The five-member committee of the MPC meets on a quarterly basis, with the next meeting scheduled for March 2013.

**FX Market**  
On a daily basis



Source: Central Bank of Uruguay

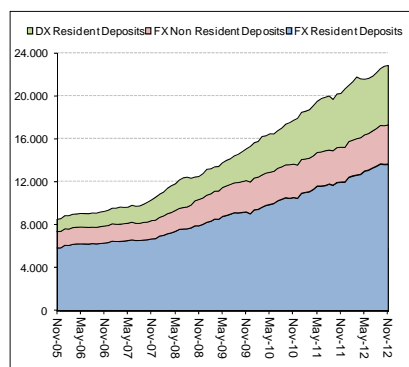
The nominal FX Uruguayan Peso has been appreciating since early August and closed 2012 at UYU19.4 per USD compared with UYU19.9 per USD of one year before.

Private analysts forecast a nominal exchange rate of UYU20.6 per USD at the end of 2013, according to the survey of CB reported in December.



On August 15<sup>th</sup>, 2012, CB announced a reserve requirement equivalent to 40% of incremental purchases by non-residents of securities issued by this institution. This decision does not affect Treasury Notes. The purpose of this measure was to manage local liquidity and to prevent any distortions in the money market related to growing FX capital inflows. Foreign capital inflows increased after Uruguay earned its second investment-grade rating by Moody's in July, 2012.

**Total Deposits in the Banking System**  
Million of USD



Source: Central Bank of Uruguay

The overall banking sector continued to increase deposits. As of November 2012, total deposits amounted USD 22.8billion, representing an increase of 13% compared with one year before. Residents' foreign currency deposits increased to USD 13.7billion, compared to USD 12billion one year before. In turn, residents' local currency deposits rose to USD 5.5billion, growing USD 500million with respect to November, 2011. Non-residents' deposits totaled USD 3.7billion in this period, compared to USD 3.3billion of the previous year.

## RECENT DEVELOPMENTS

### Transparency International: Uruguay continued exhibiting significant low levels of corruption

Uruguay, together with Chile, were the best-ranked LATAM countries in the latest edition of the "Corruption Perceptions Index" (CPI) released in December, by the non-governmental corruption watchdog Transparency International. Both countries achieved 20<sup>th</sup> place in the list over 176 countries.

## LATAM Corruption Index in 2012

Uruguay	20
Chile	20
Brazil	69
Panama	83
Peru	83
Colombia	94
Argentina	102
Bolivia	105
Mexico	105
Ecuador	118
Paraguay	150
Venezuela	165

Source: Transparency International

In 2011, Uruguay placed position 25<sup>th</sup> of a total of 183 countries, positioning in the second place in LATAM behind Chile.

The CPI ranks 176 countries by their perceived levels of domestic corruption in the public sector and is the world's most credible measure of domestic, public sector corruption.

### First PPP projects will begin to be operational during this current year

The Uruguayan Government has launched the first Public – Private – Partnerships (PPP) project for building and managing a jail for the next 20 years and a net present value (NPV) of the total investment equivalent to USD218million –including USD 73million in the phase of construction. Under the PPP scheme, delimited in a Law that Congress passed last year, the winner will be in charge of designing, building and financing the jail as well as to the maintenance and replacement services, housekeeping, meals, laundry, etc. The Uruguayan Government, in turn, has to ensure the safety, health services, and rehabilitation of prisoners.

Also, Uruguay announced a second PPP project for 2013Q2. It will be related with the rehabilitation and development of two major roadways for transporting wood and grains and will

demand an estimated investment of USD 280million.

For the medium term projects in the pipeline are: rehabilitation of railroad (NPV of USD 120million); rehabilitation of six roadways for heavy transport (NPV of USD 1billion).

Finally, for 2014 the Government will allocate a new deep port in the east zone of the country with a total investment of up USD 1billion. In early January, the Congress passed a new law establishing the geographical location of the new port: almost 250km east of the country in the Department of Rocha with access to the Atlantic Ocean. Preliminary studies show that demand volumes are sufficient to initiate the development of this new port for transporting bulk cargo (grains and minerals), estimated in 50million tons per year. This new port could generate savings for up to 50% in logistics costs for certain freight flows in the region. Forty two companies from 13 countries expressed interest in this project.

In July 2011, Congress approved legislation for PPP projects. The new legal framework establishes that total liabilities (including contingent ones) calculated as the NPV of investments held by the PPP law may not exceed 7% of GDP of the previous year. Meanwhile, annual commitments with private contractors originated by PPP contracts may not exceed five per thousand of GDP of the previous year.

### IDB supports Uruguay in developing new wind power generation and a combined-cycle-gas-power plant

The Inter-American Development Bank (IDB) announced two loans for USD 108million to finance the construction of two wind farms that are expected to generate 115Megawatts (MW). "These projects will be the first two wind farms to be financed by the IDB that are developed within the program launched by UTE, the state-owned electricity company, to promote private sector participation in the renewable energy sector," said Jean-Marc Aboussouan,

Chief of the Infrastructure Division at the Structured and Corporate Finance Department.

Currently the installed power generation capacity of Uruguay is approximately 2,600MW and the real demand is expected to grow at 4% on an annual basis in the next three years.

Uruguay is betting for incorporating new renewable sources of energy in the coming years in order to diversify its energy matrix and reduce its dependence on hydroelectric generation which, during the dry season, forces the country to boost electricity generation from fossil fuels and makes it vulnerable to international oil price fluctuations. According to that plan renewable sources in 2015 will weigh in more than 50% of the global energy matrix of Uruguay, becoming one of the world's leading wind power producers. This objective will be achieved through the incorporation of wind power generation starting in 45MW in 2012; 193MW in 2013; 972MW in 2014 and 1,152MW in 2015. Also, with the development of biomass projects up to 300MW in 2015; the construction of a combined cycle plant (crude and natural gas) for producing additional 530MW and the building of a re-gasification plant – known as *Punta del Tigre "B"*– for supplying 10million m3 of natural gas

on a daily basis. Total investment for building this plant is USD 741million. The public company UTE will provide financing for 39.3%; the IDB will share 27%; the Andean Development Corporation 24.3% and the German development bank KfW 9.4%.

In sum, the total amount of investment required for incorporating all these sources of clean sources of energy will range between USD 2.7billion and USD 3.3billion.

Additionally, last October the Uruguayan authorities signed an offshore oil contract with four international companies –British Petroleum and British Gas, Total and Tullow Oil– which committed to invest up to USD 1.6billion in the exploration and production of oil in the Uruguayan coast in 2013-2015.

#### **Punta del Este continues attracting real estate projects**

The Trump Brand and YY Development Group announced the development of Trump Tower in the famous resort *Punta del Este*. The investment for the new luxury residential tower will amount USD 100million for building a 129 ocean-view residences with a state-of-the-art amenities unprecedented in the South American continent. It will also provide access to destination highlights,

including premier hotels, fine dining, culture and nightlife, golf and recreation, and luxury shopping.



The new Trump Tower project in Punta del Este

"When I first visited *Punta del Este*, I was overwhelmed by its beauty, cultural sophistication and exclusivity," said Eric Trump a family member of this holding group. "We are incredibly excited to see Trump Tower Punta del Este become the finest luxury building in all of South America".

**DEBT MANAGEMENT UNIT**  
INVESTOR RELATIONS CONTACT INFORMATION

Azucena Arbeleche, Director

Antonio Juambeltz

Rodrigo Saráchaga

 +598 2 1712 ext. 2957

Email: [debtinfo@mef.gub.uy](mailto:debtinfo@mef.gub.uy)

Web site: [deuda.mef.gub.uy](http://deuda.mef.gub.uy)

Uruguay	Economic Indicators <sup>(1)</sup>									
	2003	2004	2005	2007	2008	2009	2010	2011	last available	as of:
<b>Economic structure and performance</b>										
Population (mn)	3,2	3,2	3,2	3,3	3,3	3,3	3,3	3,3	3,3	2012
Nominal GDP (local currency, \$bn)	340	393	425	549	636	688	791	902	978	2012Q3
Nominal GDP (USDmn)	12.062	13.712	17.403	23.468	30.387	30.538	39.391	46.743	47.995	2012Q3
GDP per Capita (USD)	3.733	4.231	5.359	7.200	9.305	9.333	12.016	14.224	14.591	2012Q3
Unemployment (% of labor force, avg)	16,9	13,1	12,2	9,2	7,6	7,3	6,7	6,0	6,1	2012M11
Real GDP (% change)	0,8	5,0	7,5	6,5	7,2	2,4	8,9	5,7	3,0	2012Q3/2011Q3
o/w Agricultural & Livestock	9,0	8,1	3,6	-6,1	5,7	2,0	0,7	4,2	-1,8	2012Q3/2011Q3
Manufacturing	4,9	7,5	14,2	7,1	17,3	-3,7	3,6	1,2	2,6	2012Q3/2011Q3
Electricity, gas & water	-4,3	-13,6	6,1	57,8	-52,6	41,9	88,0	-25,6	-37,1	2012Q3/2011Q3
Construction	-2,9	6,6	14,7	6,2	8,5	4,8	3,7	6,5	12,0	2012Q3/2011Q3
Commerce, restaurants & hotels	-3,8	8,7	7,3	13,4	11,3	0,8	13,6	9,9	2,4	2012Q3/2011Q3
Transportation & communications	1,1	8,9	16,7	19,6	34,6	9,5	17,6	12,6	7,1	2012Q3/2011Q3
o/wAgriculture, livestock and fishing/GDP (%)	9,6	11,0	8,7	8,5	9,2	8,2	8,0	8,5		
Mining/GDP (%)	0,2	0,2	0,2	0,3	0,3	0,3	0,3	0,3		
Manufacturing / GDP(%)	14,9	14,9	14,9	13,7	14,9	13,1	12,0	11,3		
Electricity, gas and water /GDP(%)	3,7	2,9	3,1	3,2	0,8	1,4	3,2	2,0		
Construction/GDP (%)	4,3	4,5	5,5	6,4	6,8	7,4	7,5	8,2		
Commerce, restaurants and hotels /GDP (%)	12,1	12,8	12,7	13,6	14,4	14,1	14,0	14,7		
Transportation, storage and communications /GDP (%)	8,4	8,1	8,3	7,8	7,5	7,2	7,1	6,7		
Financial and insurance services / GDP(%)	6,4	5,3	5,4	4,8	4,3	4,3	4,3	4,3		
Real estate and business services / GDP(%)	15,0	13,7	13,7	13,8	13,9	14,7	14,9	15,1		
Social and Other Services of the Government / GDP(%)	5,1	4,9	4,9	5,1	4,9	5,4	5,2	5,2		
Education and Health Services/GDP (%)	8,2	7,8	8,0	8,1	8,8	9,7	9,5	9,5		
Others/ GDP(%)	12,0	14,0	14,5	14,7	14,2	14,0	14,2	14,4		
Gross domestic investment (% volume change)	17,9	22,0	12,7	6,3	27,5	-10,7	10,1	7,0	12,5	2012Q3/2011Q3
Consumption (% volume change)	1,1	9,5	2,8	7,1	8,1	2,0	12,0	7,6	5,8	2012Q3/2011Q3
Exports (goods & services, % volume change)	4,2	30,4	16,3	7,4	10,1	2,5	6,0	5,8	5,7	2012Q3/2011Q3
Imports (goods & services, % volume change)	5,8	26,8	10,1	5,7	21,0	-8,6	14,4	11,2	17,8	2012Q3/2011Q3
Fix Gross domestic investment/GDP (%)	12,6	13,1	16,5	18,6	20,2	19,1	18,8	19,0		
Consumption/GDP (%)	85,9	83,8	80,4	81,7	81,7	81,1	80,6	80,8		
Exports (goods & services)/GDP (%)	26,1	31,8	30,4	28,4	29,2	26,5	26,8	27,1		
Imports (goods & services)/GDP (%)	24,6	28,7	28,5	29,5	33,5	25,5	26,0	27,3		
Openness of the economy (%)	50,6	60,5	58,9	57,9	62,7	52,0	52,8	54,4		

#### Inflation and Monetary Indicators

Inflation (CPI, % change, 12m)	10,19	7,59	4,90	8,50	9,19	5,90	6,93	8,60	7,48	2012M12
Inflation (WPI, % change, 12m)	20,5	5,1	-2,2	16,1	6,4	10,6	8,4	11,1	9,15	2012M12
Nominal exchange rate (UYU per USD, dec average)	29,19	26,51	23,58	21,63	24,33	19,96	19,98	19,96	19,30	2012M12
Nominal exchange rate (UYU per USD, 12m average)	28,17	28,65	24,42	23,41	20,94	22,54	20,07	19,30	20,33	2012M12
Nominal exchange rate (% change, 12m average)	32,7	1,7	-14,8	-2,5	-10,6	7,7	-10,9	-3,8	5,3	2012M12
REER (CPI, 2010=100)	149,0	137,7	125,4	121,8	112,8	101,3	100,9	94,0	84,6	2012M11
REER (% change, 12m, +=depreciation)	21,7	-7,5	-8,9	-7,0	-7,4	-10,2	-0,4	-6,8	-11,2	2012M11
Real Wages (% change, 12m)	-3,4	2,9	4,5	4,1	4,3	5,6	3,4	4,0	2,9	2012M11
Monetary Base (% change, 12m)	24,9	11,1	34,1	45,5	13,6	9,9	10,2	21,7	18,6	2012M12
M1 (% change, 12m)	34,0	13,0	33,4	31,8	17,5	11,9	28,1	19,2	10,2	2012M11
M2 (% change, 12m)	29,4	13,5	27,2	31,0	17,3	14,9	31,0	22,1	12,0	2012M11
Overnight interbank interest rate (% , dec avg)	1,4	1,0	0,8	7,2	5,0	7,1	6,5	8,8	9,0	2012M12
Short-term deposit interest rate (% , 60-90 days, dec avg)	8,7	5,0	2,3	2,5	3,3	4,8	4,4	5,3	9,0	2012M12
Total private NFS banking deposits/GDP (% , eop)	63,6	59,7	49,6	45,2	42,1	50,2	45,5	44,2	48,7	2012M10
Local currency private NFS deposits (USDmn equiv, eop)	692	862	1178	2125	2256	3309	4337	5415	5512	2012M10
Foreign currency private NFS deposits (USDmn, eop)	6.981	7.330	7.456	8.489	10.539	12.015	13.588	15.230	17.240	2012M10
o/w non-resident deposits (USDmn, eop)	1.382	1.527	1.553	1.739	2.463	2.957	3.095	3.222	3.596	2012M10
Dollarization ratio (% of foreign currency deposits)	91,0	89,5	86,4	80,0	82,4	78,4	75,8	73,8	75,8	2012M10
Foreign currency deposits/Total reserve assets	3,3	2,9	2,4	2,1	1,7	1,5	1,8	1,5	1,3	2012M10
Domestic credit to private NFS/GDP	32,6	26,2	21,4	23,5	22,9	23,6	21,9	22,2	24,0	2012M10
Domestic credit to resident private NFS (USDm, eop)	3.930	3.598	3.717	5.517	6.948	7.213	8.635	10.387	11.203	2012M10



Uruguay	Economic Indicators <sup>(1)</sup>									
	2003	2004	2005	2007	2008	2009	2010	2011	last available	as of:
<b>Balance of payments and external trade</b>										
<b>(USDmn)</b>										
Current account balance	-87	3	42	-220	-1729	-382	-753	-1351	-1976	2012Q3
Current external receipts	3.389	4.756	5.810	7.983	10.317	9.419	11.348	13.562	13.964	2012Q3
Current external payments	3.477	4.753	5.767	8.203	12.046	9.800	12.101	14.913	15.939	2012Q3
Trade balance (goods & services)	318	478	393	158	-961	521	630	144	-659	2012Q3
Merchandise balance	183	153	21	-545	-1714	-504	-527	-1428	-1.952	2012Q3
Exports of goods and services	3.053	4.257	5.085	6.933	9.372	8.711	10.719	12.888	13.395	2012Q3
o/w Merchandise exports, FOB	2.281	3.145	3.774	5.100	7.095	6.392	8.031	9.276	9.834	2012Q3
Tourism	345	493	594	809	1051	1321	1509	2203	2190	2012Q3
Imports of goods and services	2.734	3.778	4.693	6.775	10.333	8.190	10.089	12.744	14.054	2012Q3
o/w Merchandise imports, FOB	2.098	2.992	3.753	5.645	8.810	6.896	8.558	10.704	11.786	2012Q3
o/w Oil, FOB										2012Q3
Income	-488	-588	-494	-516	-917	-1041	-1501	-1623	-1414	2012Q3
Income, credit	242	372	563	885	757	532	455	495	397	2012Q3
o/w Interest receipts	242	367	560	869	737	512	434	475	378	2012Q3
Income, debit	730	960	1.057	1.401	1.674	1.572	1.956	2.119	1.810	2012Q3
o/w Interest payments	622	742	839	882	840	808	831	868	732	2012Q3
Current transfers, net	83	113	144	137	148	138	118	126	123	2012Q3
Current transfers, credit	95	127	161	165	188	176	175	179	172	2012Q3
Current transfers, debit	12	14	17	27	39	38	57	51	75	2012Q3
Capital & financial account	431	72	752	1505	3098	1184	1085	4200	3440	2012Q3
Direct investment, net	401	315	811	1240	2117	1512	2349	2512	2487	2012Q3
o/w Foreign direct investment	416	332	847	1329	2106	1529	2289	2505	2487	2012Q3
Portfolio equity and debt investment, net	-311	-422	806	1151	-558	-821	-654	1974	1661	2012Q3
Other capital flows	336	174	-869	-889	1539	493	-609	-286	-748	2012Q3
Net errors and omissions	1.037	379	-174	-279	864	786	-693	-285	1.117	2012Q3
Overall balance (increase in Central Bank intl reserve assets)	1.380	454	620	1.005	2.232	1.588	-361	2.564	2.582	2012Q3
memo items: Central Bank international reserve assets (eop)	2.087	2.512	3.078	4.121	6.360	7.987	7.656	10.302	13.503	2012M12
International investment position (eop, +=creditor)	-1.256	-1.528	-1.301	-2.029	-2.047	-3.191	-2.470	-4.473		
Total external debt (eop)	11.013	11.593	11.418	12.218	12.021	14.064	14.468	15.025	15.938	2012Q3
Net external debt (eop)	8.255	8.624	7.531	6.448	4.537	4.721	5.537	3.652	2.020	2012Q3
<b>(% of GDP, unless otherwise indicated)</b>										
Current external receipts/GDP	28,1	34,7	33,4	34,0	34,0	30,8	28,8	29,0	29,1	2012Q3
Current external payments/GDP	28,8	34,7	33,1	35,0	39,6	32,1	30,7	31,9	33,2	2012Q3
Current account balance/GDP	-0,7	0,0	0,2	-0,9	-5,7	-1,2	-1,9	-2,9	-4,1	2012Q3
Current account balance/Current external receipts	-2,6	0,1	0,7	-2,8	-16,8	-4,1	-6,6	-10,0	-14,1	2012Q3
Trade balance/GDP	2,6	3,5	2,3	0,7	-3,2	1,7	1,6	0,3	-1,4	2012Q3
Exports (goods & services, % change, 12 rolling months)	13,3	39,4	19,5	19,8	35,2	-7,1	23,0	20,2	7,4	2012Q3
Merchandise exports, FOB/GDP	18,9	22,9	21,7	21,7	23,4	20,9	20,4	19,8	20,5	2012Q3
Merchandise exports, FOB (% change, 12 rolling months)	18,7	37,9	20,0	15,9	39,1	-9,9	25,6	15,5	8,7	2012Q3
Tourism exports/GDP	2,9	3,6	3,4	3,4	3,5	4,3	3,8	4,7	4,6	2012Q3
Tourism exports (% change, 12 rolling months)	-1,8	43,1	20,5	35,3	30,0	25,6	14,3	46,0	5,5	2012Q3
Imports (goods & services, % change, 12 rolling months)	9,7	38,2	24,2	15,3	52,5	-20,7	23,2	26,3	12,1	2012Q3
Merchandise imports, FOB/GDP	17,4	21,8	21,6	24,1	29,0	22,6	21,7	22,9	24,6	2012Q3
Merchandise imports, FOB (% change, 12 rolling months)	12,0	42,6	25,4	15,2	56,1	-21,7	24,1	25,1	10,8	2012Q3
Oil Imports/GDP										2012Q3
Oil Imports (% change, 12 rolling months)										2012Q3
Net interest payments/Current external receipts	11,2	7,9	4,8	0,2	1,0	3,1	3,5	2,9	2,5	2012Q3
Foreign direct investment/GDP	3,5	2,4	4,9	5,7	6,9	5,0	5,8	5,4	5,2	2012Q3
Net foreign direct investment/GDP	3,3	2,3	4,7	5,3	7,0	5,0	6,0	5,4	5,2	2012Q3
Total external debt/Current external receipts	324,9	243,8	196,5	153,1	116,5	149,3	127,5	110,8	114,1	2012Q3
Net external debt/Current external receipts	243,6	181,3	129,6	80,8	44,0	50,1	48,8	26,9	14,5	2012Q3
International investment position/GDP (+=Creditor)	-6,0	-11,2	-10,8	-11,7	-10,4	-13,6	-8,1	-14,6		
Share of merchandise trade w/MERCOSUR partners	39,1	35,5	33,1	37,5	37,1	36,7	36,8	28,4		

Uruguay	Economic Indicators <sup>(1)</sup>									
	2003	2004	2005	2007	2008	2009	2010	2011	last available	as of:
<b>Public Finances</b>										
<b>Non Financial Public Sector</b>										
Overall balance/GDP	-2,3	-1,0	-0,6	-0,5	-1,8	-1,9	-0,8	-0,7	-2,9	2012Q3
Revenue/GDP	27,9	28,0	28,0	28,6	26,9	26,9	35,0	28,8	31,1	2012Q3
Expenditure/GDP	30,1	28,9	28,6	29,1	28,6	28,8	35,8	29,5	34,0	2012Q3
o/w non-interest	24,6	24,0	24,2	25,3	25,8	26,1	32,8	27,1	31,5	2012Q3
interest	5,5	4,9	4,3	3,8	2,9	2,7	3,0	2,4	2,6	2012Q3
Primary balance/GDP	3,2	3,9	3,7	3,3	1,1	0,8	1,7	1,8	-0,4	2012Q3
Gross debt/GDP	89,7	82,8	68,3	58,0	45,1	56,3	42,8	42,6	43,9	2012Q3
Gross debt/Revenue	321,9	296,3	243,9	202,9	167,7	195,7	143,7	147,7	152,9	2012Q3
External debt/GDP	72,9	66,9	53,6	46,7	34,8	39,8	30,4	28,3	28,5	2012Q3
External debt/Gross debt	81,2	80,8	78,6	80,5	77,3	70,7	71,1	66,5	64,9	2012Q3
Foreign currency debt/Gross debt	79,6	76,9	75,2	68,0	66,6	64,0	62,3	52,1	55,6	2012Q3
Interest Payments/Revenue	19,8	17,5	15,5	13,4	10,8	9,9	8,2	8,4	8,2	2012Q3
<b>Public Sector</b>										
Overall balance/GDP	-2,6	-1,8	-0,4	0,0	-1,6	-1,7	-1,1	-0,9	-2,8	2012Q3
Primary balance/GDP	3,0	3,8	4,0	3,6	1,4	1,2	1,9	2,0	-0,1	2012Q3
Gross debt/GDP	100,8	97,2	80,2	69,5	54,4	71,7	58,2	55,9	58,1	2012Q3
Net Debt/GDP	68,3	66,5	51,4	41,2	27,2	36,6	31,2	28,2	25,8	2012Q3
Gross External Debt/GDP	91,3	84,5	65,6	52,1	39,6	46,1	36,7	32,1	33,2	2012Q3
External Debt Service/International Reserve Assets	66,7	52,2	55,2	25,1	21,2	11,9	19,6			

(1) Data from 2008 are preliminary and may be subject to revision.